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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, DC 20554

In the Matter of

Comments for Report to Congress )  
on Universal Service Under the )  
Telecommunications Act of 1996 )  
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CC Docket No. 96-45

To: The Commission

COMMENTS OF THE COUNCIL OF CHIEF STATE SCHOOL OFFICERS

Gordon M. Ambach  
Executive Director  
Council of Chief State Officers  
One Massachusetts Avenue, NW  
Suite 700  
Washington, DC 20001

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California Department of Education  
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Utah Department of Education

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## **Introduction**

The Council of Chief State School Officers (CCSSO) is responding to Public Notice for CC Docket No. 96-45 and the Common Carrier Bureau's request for comments regarding the Commission's progress in carrying out the universal service provisions of the Telecommunications Act of 1996 ("Act"). Specifically, comments are solicited to help the Commission in preparing a report to the Congress on matters relating to section 254 of the Act. The Report will focus on how the Commission's decisions impact the intent of Congress to promote access and applications of advanced telecommunications services, including services to all of the nation's schools and libraries.

The Council of Chief State School Officers is a national nonprofit organization of the fifty-seven public officials who head departments of public instruction in the fifty states, five U.S. extra-state jurisdictions, the District of Columbia, and the Department of Defense Schools. Over the past two years, CCSSO and its members have worked with the Commission, the Federal-State Joint Board on Universal Service and, more recently, the Schools and Libraries Corporation (SLC) to assure the successful implementation of the "universal service requirements." CCSSO is uniquely positioned to help federal policy-makers in crafting and executing national education and telecommunications policies that complement state initiatives designed to improve schools.

### **I. Congressional Intent to Improve the Delivery and Quality of Educational Services**

Based on reports from several states, CCSSO is increasingly concerned that the Commission's limited definitions for telecommunications service providers may have the effect of limiting the provision of critical telecommunications services for schools and libraries. Section 254(c)(3) recognizes the need to broaden the definition of eligible services for schools and libraries. This section indicates "the Commission may designate additional services for such support mechanisms for schools, libraries, and health care providers for the purposes of subsection (h) "

Comments forwarded by CCSSO to the Commission in this petition are not directed to all the considerations included in the Public Notice (DA 98-2). CCSSO is taking the opportunity to comment on applications of telecommunications services that contribute to improvement in educational services. Our primary concern is to identify telecommunications services that are critical to elementary and secondary schools. Some of the services we have identified as "essential" may in fact be excluded by the Commission's narrow definition and interpretation of "eligible services" for discounts authorized by certain provisions in the Act. CCSSO urges the Commission to sanction a wide array of facilities and services for eligible discounts under section 254 of the Act. We are also recommending rule making procedures that complement state and local educational requirements and purchasing practices. Flexible procedures that encourage state and local school programs to make creative applications of available and emerging technologies could have a positive and substantial impact on schools and learning outcomes.

Over the past year, the Commission has taken several actions to ensure that schools and libraries have maximum flexibility to purchase different packages of services at a discount. The Commission's Universal Service Order did not recommend or require a standard telecommunications package. The Order concluded that it would be more efficient to permit local schools and libraries to decide what services they actually need and want. The Commission and the Federal-State Joint Board on Universal Service have been consistent in encouraging schools and libraries to choose from a wide array of telecommunications services and technologies, including telephone, cable television, wireless, and other telecommunications services. However, states and local school officials are discovering that not all telecommunications services, including a number of advanced digital services, are eligible for support by the Universal Service Fund. Maintaining and broadening the categories of "eligible services" and "eligible service providers" will have a constructive impact on state and local plans for improving schools and extending educational services beyond school campuses.

## **II. State Developments to Integrate the Delivery of Essential and Effective Services**

States that maintain statewide educational information networks have a unique capacity to facilitate and coordinate school and library participation in the Universal Service program as authorized in section 254(h) of the Telecommunications Act of 1996. These networks, in states such as Utah, Kentucky, West Virginia, and Tennessee, concentrate services and resources at a centralized location

As a single point of contact, these state networks can facilitate individual application to the Universal Service fund, or apply for the schools and libraries that constitute the network itself. The former approach is possible by virtue of easy access to centralized information, services, and planning. As part of the Universal Service application process, state networks have typically made Universal Service information readily available to individual schools and libraries through a variety of sources, including print materials, special web sites, interactive teleconferences, and other types of meetings.

State networks, particularly those mentioned above, have also taken a proactive role in coordinating the application process on behalf of all schools and libraries in their respective states. This effort includes gathering and coordinating Universal Service application information from each school and library. Ultimately, this information will be submitted to the Universal Service Fund Administrator for the schools and libraries. Advantages of this approach include a centralized location of information for many individual schools, and even more significantly, a reduced burden on individual schools and libraries which do not have the expertise to complete the necessary information

Schools and state networks should be able to receive information technology resources via whatever source seems most appropriate based on their particular circumstance. The Commission should recognize it is important not to exclude options such as wireless and satellite delivery. More importantly, recent FCC decisions like the one declaring network interface cards ineligible for

discount -- and the ongoing debate over CSUs and DSUs -- may limit the ability of schools and libraries to choose the best option for their particular needs. These pieces of equipment are cited as examples of technologies that provide advanced telecommunications to schools but fail to qualify under the Commission's present definition for eligible support by the Universal Service Fund.

### **III. Recognizing the Diversity of Solutions and Promoting Competition and Choice**

Section 254(h)(2)(A) directs the Commission to establish competitively neutral rules to enhance access to advanced telecommunications and information services for all public and nonprofit elementary and secondary school classrooms. Promoting the widest participation of competitive service providers serves the interests of state and local school officials in delivering a wide range of information services to all students and teachers. To date, decisions by the Commission have been designed to empower local school and library officials and to take the fullest advantage of services offered by scores of competing service providers. Many services and equipment that complement and enhance the currently operating systems supported by state and local educational agencies are offered exclusively by large incumbent telecommunications carriers. Sometimes, the hardware and software that are critical to the delivery of educational services to schools and classrooms are offered by smaller upstart companies and vendors. The inclusion of these competitive service providers in the Universal Service program expands opportunities for schools to offer a wider range of advanced electronic services to teachers and students.

Schools and state networks ought to have the widest possible ability to receive information technology resources via whatever source seems most appropriate based on their particular circumstance. Not excluding options is important. Discounts for wireless and satellite-delivered services will be critically important to schools, especially those located in rural areas. The recent FCC decisions declaring network interface cards ineligible for discount -- and the ongoing debate over CSUs and DSUs -- may severely limit the ability schools and libraries have to choose the best option for their particular needs. In the design of WAN networks, especially for rural school districts, the main components are the router and CSU/DSU ("channel service unit and data service unit") technologies. Until the time when broadband and advanced networks are ubiquitous, these technologies are considered critical in providing school systems with high-speed linkages to WANs and statewide information services.

### **Conclusion**

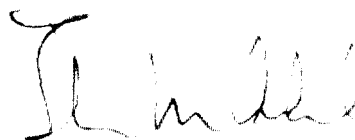
CCSSO is unable to advise the Commission in setting criteria to determine who should contribute to the universal serve fund under section 254(d). However, CCSSO believes strongly that the Commission, in cooperation with state regulatory officials, should develop equitable and nondiscriminatory mechanisms that provide a revenue base to achieve the national goals for universal services. CCSSO also believes the Commissioner's interpretation of telecommunications services eligible for universal service support may be inconsistent with several provisions in section

254 of the Telecommunications Act and with subsequent decisions incorporated in the report by the Federal-State Joint Board on Universal Service

These references indicate a distinct intention to permit local schools and libraries full flexibility to choose among telecommunications services that they consider worthwhile and essential. The Commission's Fourth Order on Reconsideration in Docket 96-45 fails to reflect the Congressional intent to provide schools and libraries with the discretion to choose the technologies and services that serve their unique needs. The inconsistencies between the conventional definitions for telecommunications services accepted by the Commission and the provisions for eligibility (section 254) designed to encourage advanced services for schools should be remedied.

CCSSO urges the Commission to establish competitively neutral rules that enable state and local educational officials to choose technologies and services that actually contribute to the delivery of worthwhile services to teachers and students. In its report to Congress, the Commission should take the opportunity to highlight the impact universal service support is having on local schools. The Commission should also recognize the importance of maximizing the options and choices of state and local authorities for purchasing and leasing technologies and electronic information services that support curricular requirements. Broadening the definition of telecommunications services that are eligible for universal service support would promote the goal for creating a more competitive marketplace. This would also have the effect of stimulating applications of advanced telecommunications for improving the quality of school and library services.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "G. Ambach", written in a cursive style.

Gordon M. Ambach  
Executive Director